

CHES Replacement Technical Committee Minutes

3 September 2025 Meeting

At the 3 September 2025 meeting, the Technical Committee Agenda and the Actions were:

AGENDA AND KEY TOPICS DISCUSSED

- Welcome, open actions and feedback
- CHES Project status
- CHES Release 1 Build and Test update
- Working group updates
- CHES Release 2 holding balances
- CHES Release 2 timeline checkpoint
- CHES Project support model
- Forward engagement for 2025

AGREED ACTIONS

There were no new actions raised in the September 2025 meeting for the Technical Committee.

There were three new actions raised for the Working Groups.

- ASX to conduct a desktop exercise with the Industry on the relevant CHES Release 1 contingency scenarios for post Go-Live, covering any expectations ASX may require from Participants (**ITWG_15**)
- ASX to review the feedback received on hold and release to determine the matched or unmatched treatment of housekeeping fees from a processing perspective (**BDWG_21**)
- ASX to canvas Registries to clarify the timing and triggers of the ABN movement workflow (**BDWG_22**).

Minutes from the meeting are attached.

Action Items Raised in Meetings

Item number #	Action	Due date	Status	Owner
2025 August (1)	ASX to provide Technical Committee members with additional information on why new holding balances can't be included in settlement movement messages	September 2025	Closed	ASX
2025 June (3)	ASX to provide an overview of the CHES Project support model to the Technical Committee and Business Committee	September 2025	Closed	ASX
2025 July (1)	ASX to provide Technical Committee members with an overview of decisions made in its Working Groups	August 2025	Closed	ASX
2025 June (1)	ASX to determine whether industry participants would be required to attest to CHES Release 1 rollback plans	August 2025	Closed	ASX
2025 June (2)	ASX to determine its approach to finalise the optional or mandatory determination of non-batch DVP and corporate action elections functionality	August 2025	Closed	ASX
2025 April (1)	ASX to consider how it could provide further transparency on changes to ISO Design for Technical Committee members to track changes being proposed in the ISO Working Group	July 2025	Closed	ASX
2025 May (1)	ASX to provide the final list of optional and mandatory functionality in advance of submission to the Business Committee meeting.	June 2025	Closed	ASX
2025 March (1)	ASX to consider including a pulse survey question on the operating model between the Technical Committee and the Working Groups	May 2025	Closed	ASX
2025 February (1)	ASX to assess the feasibility to use BICs as the primary method of identification for the CHES project	April 2025	Closed	ASX
2025 February (2)	ASX to provide a 3-month forward engagement plan of the Technical Committee and Working Groups covering the key topics to be discussed	March 2025	Closed	ASX
2024 December (1)	ASX to provide additional information on how participant cohorts responded in the consultation for the Release 2 implementation approach	February 2025	Closed	ASX
2024 December (2)	ASX to provide a schedule on when the scope objectives that require further engagement will be taken back to the Technical Committee and Business Committee in 2025	February 2025	Closed	ASX
2024 November (1)	ASX to consider further industry engagement at the ESPPSC to discuss participant viewpoints on payment channels	February 2025	Closed	ASX
2024 August (1)	ASX to clarify the ability to access CHES through an AWS end point	February 2025	Closed	ASX

Agenda

CHESS Replacement Technical Committee

Date	Wednesday, 3 September 2025
Time	2:00pm – 4:00pm
Location	Microsoft Teams Meeting

Agenda items	Timing
Project Updates	
1. Welcome, Open Actions, Feedback	15 mins
2. CHESS Project status update	15 mins
3. CHESS Release 1 Build and Test update	10 mins
4. Working Group updates	15 mins
Additional Focus Areas	
5. CHESS Release 2 – holding balances	10 mins
6. CHESS Release 2 – timeline checkpoint	10 mins
7. CHESS Project support model	10 mins
8. Forward Engagement for 2025	5 mins

CHESS Replacement Technical Committee Members

Company	Representative	Title	Delegate / Apology
ASX	Tim Whiteley	Technical Committee Chair and Project Director, CHESS Replacement Project	Apology
Observer	Paul Rayson	Business Committee Chair	

Clearing and Settlement Participants

Company	Representative	Title	Delegate / Apology
ABN AMRO CLEARING	Matthew McMahon	Head of Operations	
AUSIEX	Ashish Jha	Director, Solution Delivery Management	
BANK OF AMERICA	Monika Ahrns	Project Manager	
BNP PARIBAS	Wayne Murphy	Project Manager	
CITI	Lyll Herron	Program Manager	
CMC	Jamie Driscoll	Program Lead - Back Office Implementation	Apology
COMMSEC	Ryan Jones	Crew Technical Lead	
FINCLEAR SERVICES	Nikki Gleisner	Senior Business Analyst/Client Relationship Manager	Apology
GOLDMAN SACHS	Simon Wyss	COO, Australia/ New Zealand Engineering	Apology
HSBC	Simon Siluk	Senior Product Manager	
INTERACTIVE BROKERS	Darren Halse	Managing Director	Apology
J.P. MORGAN	Miriam Wu	Direct Custody Product Manager – Australia and New Zealand	Steve Hackers
MACQUARIE GROUP	Paul Bragg	Operations Analyst	
MORGAN STANLEY SECURITIES	Rebecca Collins	Executive Director	
MORGAN STANLEY WEALTH	Andrew Sime	Executive Director	
MORGANS	Daniel Spokes	Director, Client Support Services	Apology

MORRISON SECURITIES	Brooke Midson	Business Technology Manager
NAB	Rodd Kingham	Head of Investment Service (WealthHub Securities)
PHILLIP SECURITIES	Craig Semmens	CEO / Executive Director
THIRD PARTY PLATFORM	Adam von Giese	Chief Operating Officer, Third Party Platform
UBS	Neil Martin	Project Manager

Third Party Software Vendors

Company	Representative	Title	Delegate / Apology
BROADRIDGE	Danielle Gerace	Head of Client Service Australia	
COMPUTERSHARE	Leanne Bailey	Senior Business Analyst	
FINCLEAR	Craig Gray	Head of Product for Settlement & Clearing systems	
FNZ	Nick Clarke	Head of Product Management – Capital Markets	
SECURITEASE	David Hinkley	General Manager	

AMOs

Company	Representative	Title	Delegate / Apology
ASX TRADE	Christos Giogkarakis	Head of Equities Trading Technology	
CBOE	Ben Phillips	VP – Chief Operating Officer APAC	
NSX	Richard Atkins	Market Operations & Technology	
SYDNEY STOCK EXCHANGE	Stuart Guinness	Director Regulatory Affairs / Company Secretary	

Share Registries

Company	Representative	Title	Delegate / Apology
AUTOMIC GROUP	Richard Kennedy	Senior Software Engineer	Apology
BOARDROOM	Joshua Barton	Project Manager of Major Projects	
COMPUTERSHARE	Cate Gilbert	Technical Specialist – Special Project Support	
MUFG PENSION AND MARKET SERVICES	Blanca Valle	Senior Technical Business Analyst - Corporate Markets	

Observers

Company	Representative	Title	Delegate / Apology
AFMA	Damian Jeffree	Senior Director of Policy	
AIRA	Ian Matheson	Chief Executive Officer	Apology
GIA	Simon Pordage	Brand Ambassador for Governance Institute of Australia & Company Secretary for ANZ)	Apology
SIAA	Judith Fox	Chief Executive Officer	Michelle Huckel

Auditors

Company	Representative	Title	Delegate / Apology
ASIC	Derek Scott	Senior Specialist, Market Infrastructure Markets	
ASIC	Nick Hughes	Technology and Delivery Consultant	
ASIC	Liang Chen	Analyst, Market Infrastructure	
RBA	Nick Rowbotham	Acting Manager, Domestic Supervision and Resolution, Payments Policy Department	

RBA	Simon Truong	Lead Analyst, Domestic Supervision and Resolution, Payments Policy Department
ERNST & YOUNG	Roberto Fitzgerald	Partner, Financial Services
ERNST & YOUNG	Juan Carlos Martin de los Santos	Director, Technology Risk

ASX Management Representatives

Company	Representative	Title	Delegate / Apology
ASX	Andrew Jones	General Manager, Equities	
ASX	Ashley D'Souza	Senior Manager, Equities	
ASX	Chris Boyes	Senior Product Manager, Securities & Payments	
ASX	Clive Triance	Group Executive, Securities & Payments (Project Sponsor)	Apology
ASX	Jason Genford	Head of Technology Delivery	
ASX	Mark A. Kaplan	Accenture (SI)	
ASX	Peter Jessup	Release 1 Product Owner (SI Business Lead)	
ASX	Russell Eyre	Enterprise Architect, Securities and Payments	
ASX	Steven Hannan	Senior Manager, Stakeholder Engagement, Equities	
ASX	Triona Quinlan	General Manager, Technology Delivery	

AGENDA ITEM 1: Welcome, Actions and Feedback

The Chair welcomed members and delegates to the 3 September 2025 meeting.

The Chair reminded members of their obligations under Competition Law and encouraged active participation, noting the purpose of the Committee was for stakeholders to provide input and feedback.

The meeting attendance was recorded and is reflected in the tables provided. The 6 August 2025 Committee minutes were approved and are now available on the CHESS project website.

An overview of the agenda was provided before the Chair proposed to two open actions following from the 6 August 2025 meeting:

Item number #	Action	Discussion
2025 August (1)	ASX to provide Technical Committee members with additional information on why Participants need to reconcile holdings, including any new holding notification	Closed. ASX is planned to not carry forward the new holding balance field in confirmation messages due to scalability and to align to ISO standards. This was discussed in agenda item 5.
2025 June (3)	ASX to provide an overview of the CHESS Project support model to the Technical Committee and Business Committee	Closed. ASX's support model for functional or technical support was not expected to change. This was discussed in agenda item 7.

AGENDA ITEM 2: Project Status

The ASX General Manager, Technology Delivery provided the following updates on the delivery of the CHES Project:

- An overview of ASX's progress on delivering to the key external milestones of the CHES Release 1 and Release 2 indicative Project Plans.
- The progress on Clearing Regression testing which was expected to be completed by late September 2025 for commencement of the Clearing Regression phase
- An ASX Dress Rehearsal event was successfully completed in late-August 2025, including testing of the weekend rollback option. The first Dress Rehearsal with the AMOs was expected to be held in November 2025.
- Build and test activities for Drop 1 was progressing with key members of the Project team in Chennai completing validation and verification activities.
- Drafting of the Drop 2 business requirement specification documents and business requirement documents for Drop 3 were in progress.
- The CHES User Technical Documentation was published in late August 2025 and the Industry Test Approach was expected to be published in late-September 2025.

The ASX General Manager, Technology Delivery provided an overview of the key project risks. It was noted that the Clearing Regression milestone was amber due to the risk that there may be insufficient time to complete testing however the testing outlook was improving.

The ASX Senior Product Manager, Equities, Securities and Payments outlined the key changes to the indicative CHES Release 2 Project Roadmap for Drop 3, 4 and 5.

Member discussion

A member queried if ASX would notify Industry of potential delays to commencement of the Clearing Regression phase. The ASX General Manager, Technology Delivery noted the current progress of testing and advised that ASX intend to notify Participants within a two week time window if any potential delays were expected.

A member queried what the warranty milestone in May 2026 reflected in the CHES Release 1 indicative Project Plan. The ASX General Manager, Technology Delivery advised that the warranty milestone reflected the exit criteria to be completed during the period of heightened support from TCS post Go-Live.

Several members asked questions regarding the proposed Monday rollback option and contingency plans for potential issues post Go-Live, including the testing effort required for rollback, expectations of Participants capabilities in the event of a potential post Go-Live issue and the testing of contingency scenarios. The ASX Head of Technology Delivery advised that CHES Release 1 rollback testing would primarily involve ASX and AMOs, and that Clearing Participants are not expected to be involved. It was further noted that potential issues post Go-Live would be managed under the hyper-care support model which is expected to be covered in a future Implementation and Transition Working Group meeting. The Chair recorded an open action for the Implementation and Transition Working Group to conduct a desktop exercise on the relevant CHES Release 1 contingency scenarios with the Industry, covering any expectations ASX may require from Participants (**ITWG_15**).

A member queried whether bank account communication included passing accounts from Brokers to Registries. The ASX Senior Product Manager, Equities, Securities and Payments advised that a potential solution aligned with corporate action functionality in BaNCS is expected to be presented in Drop 5 as per the indicative CHES Release 2 Project Roadmap.

AGENDA ITEM 3: CHES Release 1 Build and Test Update

The ASX Head of Technology Delivery provided an update on industry activity for the CHES Release 1 AMO Build and Test phase noting that:

- The AMO Accreditation window commenced on 1 September 2025. One Organisation had successfully completed formal accreditation activities. Another Organisation had completed all scenario testing in

preparation for formal accreditation activities and the last Organisation had two scenarios remaining to be completed.

- One AMO was tracking amber for the AMO Readiness milestone due to the delays in testing its remaining 2 readiness scenarios. All Clearing Participants were tracking green for the Clearing Regression milestone.

Member discussion

No member feedback was recorded.

AGENDA ITEM 4: Working Group Updates

a) Implementation & Transition Working Group

The ASX Head of Technology Delivery provided an overview of the 26 August I&T Working Group (IT WG) meeting. It was noted that the session was focussed on the:

- Clearing Regression SFTP and test kit schedule and the Parallel Test reconciliation files for Clearing Participants that decide to be included as Parallel Test phase report recipients
- CHES Release 2 Industry Test phases including the guiding principles, test phases, timeline checkpoints, and the parallel test strategy
- First Industry Timeline Checkpoint. It was noted that ASX plans to receive feedback from industry stakeholders to identify any industry risks have the potential to require adjustments to the CHES Release 2 timeline
- AMO Parallel Test phase and the reports expected to be generated for Clearing Participants

The ASX Head of Technology Delivery provided update on the proposed CHES Release 1 rollback option for Monday under assessment, including proposed rollback cut-off time and scenario testing.

Member discussion

No member feedback was recorded.

b) Business Design Working Group

The ASX Senior Product Manager, Equities, Securities and Payments provided an overview of the 7 August Business Design Working Group (BD WG) meeting. This meeting was a Payment Provider focus group attended by 11 Payment Providers and SMEs within their organisations and focussed on:

- **Batch Payments** - Current and proposed future models, including the possibility of generating predicted funds obligations, the options to speed up the approval process and the ability to opt out of authorisation processes
- **Trust Amounts** – ASX's alternative proposal for processing trust amounts and the associated risks and the potential breaks in the settlement process
- **Real-time Payments** – The options under evaluation for real time payments, CHES RTG and NPP.

The ASX Senior Product Manager, Equities, Securities and Payments provided an overview of the 18 August Business Design Working Group (BD WG) meeting. This meeting focussed on CHES Release 2 Drop 3 scope items:

- **Issuer Sponsored Conversions & Transfers** - ASX proposed the planned design for Issuer Sponsored Conversions and Transfers. Participants and Share Registries were generally supportive of the proposals
- **SRN Enquiries** - ASX proposed the planned design for Issuer Sponsored Conversions and Transfers. Participants and Share Registries were generally supportive of the proposals.
- **Batch Payments & Trust Amounts** - ASX presented the proposed approach for batch payments. Participants were generally supportive of the proposal, notwithstanding an open action for the BDWG

The ASX Senior Product Manager, Equities, Securities and Payments advised that one open action relating to the registry impacts on revised holding movement reporting was closed.

Member discussion

A member queried whether there was an open action for hold and release regarding allegation and its treatment as matched or unmatched for housekeeping and fail fees. The ASX Senior Product Manager, Equities, Securities and Payments advised that feedback on hold and release had largely been resolved, including adding the hold indicator to allegation. The ASX Senior Product Manager, Equities, Securities and Payments further noted that feedback had been received on fail fees which was expected to be addressed as part of ongoing fee discussions. The ASX Senior Product Manager, Equities, Securities and Payments recorded an open action for the BD WG to review the feedback received on hold and release to determine the matched or unmatched treatment of housekeeping fees from a processing perspective (**BDWG_21**).

c) ISO Design Working Group

The ASX Senior Manager, Equities Post Trade provided the following key updates from the 19 August ISO Design Working Group (ISO WG) meeting:

- Messages relating to the workflows for payment facility management and batch settlement payments were presented to ISO WG members.
- ASX presented a proposal that all Participants would receive a CEB report. Feedback was received on the volumes of that report which resulted in changes so that Participant now can opt in to receive the CEB reports.
- The next ISO WG meeting was expected to be held on the 18 September focusing on issuer sponsored workflows, transfers, conversions, SRN inquiries the holding movement report.

Member discussion

No member feedback was recorded,

AGENDA ITEM 5: CHESS Release 2 Holding Balances

The ASX Senior Product Manager, Equities, Securities and Payments advised that ASX proposed to not carry forward the new holding balance field in settlement confirmation message as:

- **Impacts to scalability** - All the messages need to be processed sequentially, sequential order needs to be retained on the inbound and outbound queues and this can cause bottleneck issues and inhibit scalability
- **Alignment to ISO Standards** – This field is not included as part of the ISO standards and it's not aligned with the global best practices for reconciliation.

The ASX Senior Product Manager, Equities, Securities and Payments provided an overview on the future state of holding balance information. It was noted that this alternative approach was in line with global best practice and that Participants could also request an ad-hoc holding balance at any time during the day, or a full reconciliation of all balances at end of day.

Member discussion

A member commented that they were comfortable with the proposed approach as long as there was equivalent functionality to achieve the current state as outlined by the ASX Senior Product Manager, Equities, Securities and Payments.

A member queried whether out-of-order message delivery could affect balance accuracy and whether any potential legal risks have been assessed. The ASX Senior Product Manager, Equities, Securities advised that Participants may receive confirmations in a different order than they were processed and the legal and regulatory implications are currently being reviewed.

A member queried whether ASX could canvas Registries to ascertain when ABNs are expected to be removed from the underlying holding as it may impact the timing of when these reports are called. The ASX Senior Product Manager, Equities, Securities recorded an open action for the BD WG to canvas the Registries to clarify the timing and triggers of the ABN movement workflow (**BDWG_22**).

AGENDA ITEM 6: CHESS Release 2 Timeline Checkpoints

The ASX Head of Technology Delivery provided an overview of the CHESS Release 2 timeline checkpoints. It was noted that:

- The timeline checkpoints have been scheduled at points where more information would be provided to the Industry. The first timeline checkpoint would be on the back of ASX publishing the first set of Drop 1 User Technical Documentation and the Industry Test Approach.
- ASX is expected to survey the Industry to provide early and transparent signalling of any identified Industry risks that have the potential to require adjustments to the CHESS Release 2 timeline. These risks may be reported to the Technical Committee and Business Committee.

Member discussion

A member queried what form will consultation on CHESS Release 2 parallel testing take and whether there are any indicative deadlines. The ASX Head of Technology Delivery advised that ASX plans to engage with Industry on parallel testing in H2 2026 with the scope and KPIs to be defined through workshops held via the IT WG.

AGENDA ITEM 7: CHESS Project Support Model

The ASX Head of Technology Delivery provided a high-level overview of the CHESS Project support model for. It was noted that

- No material changes to the support model was expected for the Industry to receive functional and technical support.
- Industry was expected to continue to refer to ASX's system status website and the relevant Level 1 support team contacts.

Member discussion

No member feedback was recorded.

AGENDA ITEM 8: Forward Engagement Plan and AOB

The ASX Senior Manager, Equities Post Trade advised that CHESS Release 2 Drop 1 User Technical Documentation were published on 29 August 2025 and provided a walkthrough on how to navigate to the documentation on ASX's website.

The ASX Industry Governance and Compliance Manager provided an overview of the 3-month forward engagement schedule for market engagement. It was noted that the Q3 2025 Business Committee meeting was to be held on 17 September 2025 and will cover the recommendation on the remaining scope items for CHESS Release 2 for corporate action elections and non-batch DVP.

Member discussion

No member feedback was recorded.

AGENDA ITEM 9: Observer Feedback

The Meeting Observer noted that the meeting was very engagement and informative, with active participation and clear summaries provided. ASX addressed all Participant concerns effectively and were able to resolve issues raised during the meeting.

The Meeting Observer noted two additional action items to be recorded on the formal minutes. The two action items were consolidated into the ITWG open action (**ITWG_15**) to walk through relevant playbook scenarios for testing and on the expectations of Participants capabilities.

The meeting closed at 3:24PM.

Signed as a correct record of the meeting.



Chair

8 October 2025

Date